

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

-----X  
LEONARD GRUNSTEIN, JACK DWYER, and  
CAPITAL FUNDING GROUP, INC.,

Plaintiffs,

--against--

RONALD E. SILVA; PEARL SENIOR CARE, LLC;  
PSC SUB, LLC; GEARY PROPERTY HOLDINGS, LLC;  
FILLMORE CAPITAL PARTNERS, LLC; FILLMORE  
STRATEGIC INVESTORS, LLC; DRUMM  
INVESTORS, LLC; and FILLMORE STRATEGIC  
MANAGEMENT, LLC.

Defendants.  
-----X

07 Civ. 3712 (RMB) (RLE)

**DECLARATION OF  
RONALD E. SILVA**

**DECLARATION OF RONALD E. SILVA**

I, Ronald E. Silva, declare pursuant to 28 U.S.C. section 1746 as follows:

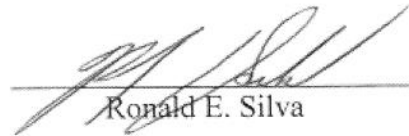
1. I am President and Chief Executive Officer of Fillmore Capital Partners, LLC. I am also President of Fillmore Strategic Management, LLC, Pearl Senior Care, LLC, and Drumm Investors, LLC. I was also President of PSC Sub, LLC before that entity merged with Beverly Enterprises, Inc. I submit this Declaration in support of defendants' motion to dismiss plaintiffs' amended complaint. Except as otherwise stated I have personal knowledge of the facts set forth herein.

2. I have always been a resident and citizen of the State of California, and have never lived in New York.

3. Plaintiffs' amended complaint alleges that "almost all – if not all – of the meetings of the parties took place in New York. . .". In fact, neither myself, nor any of the employees of any of the defendants traveled to New York to negotiate the

Merger Agreement, any Amendments to the Merger Agreement, or the purported oral partnership agreement alleged in plaintiffs' amended complaint.

I declare under penalty of perjury under the laws of United States of America that the foregoing is true and correct. Executed on August 28, 2007, at San Francisco, California.

  
\_\_\_\_\_  
Ronald E. Silva

12900877.1.LITIGATION